

To: TennCare Episodes Providers and Other Stakeholders

Date: July 3, 2023

Subject: Waiving Episodes of Care Risk-Sharing Payments for 2022 Respiratory Infection Episode

Thank you for your continued dedication to provide quality care to TennCare members during the COVID-19 pandemic. This memo outlines an important announcement about the Episodes of Care program's Respiratory Infection episode.

As part of our ongoing efforts to monitor Episodes of Care data for impacts from the COVID-19 pandemic, TennCare has identified a significant impact to the 2022 performance of our Respiratory Infection episode. This cost increase is attributable to higher-than-anticipated laboratory testing costs during the COVID-19 pandemic.

In order to continue supporting providers during this difficult time, the three TennCare Managed Care Organizations (MCOs) will waive episodes of care risk-sharing payments for the **Respiratory Infection episode only** in the final reports for the 2022 performance period. What this means is that if a provider owes a risk-sharing payment in the Respiratory Infection episode based on their final 2022 episodes results, then the MCO will adjust the Respiratory Infection risk-sharing amount to \$0 and recalculate the provider's net gain-sharing total across all episode types in their final report.

Final 2022 performance reports will be released to the MCO portals on August 17, 2023. Providers who do not have risk-sharing for their Respiratory Infection episodes will not be impacted. Providers who do not have any Respiratory Infection episodes will also not be impacted.

With the exception of this one-time risk-sharing waiver for the 2022 performance of the Respiratory Infection episode, Episodes of Care risk-sharing payments will resume for the 2022 performance year, in order to continue incentivizing high-quality, cost-effective care in the Episodes of Care program.

Again, we are grateful for your continued partnership and thank you for the care you are offering to our members. You can find more information on TennCare's response during this emergency period by visiting <https://www.tn.gov/tenncare/information-statistics/tenncare-information-about-coronavirus.html>.
